



State of Utah Department of Commerce

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Couple Charged With Securities Fraud

The Utah Division of Securities and the Attorney General's Office announced today that Gerald Trevor Jones and DeAnn T. Jones of Bluffdale have been charged in Utah Third District Court with seven counts of second degree Securities Fraud, one count of third degree securities fraud, one count of third degree Sales by an Unlicensed Investment Advisor, one count third degree Sale of an Unregistered Security and one count of engaging in a pattern of unlawful activity. All charges are felonies.

The defendants were operating under the auspices of TD&K Associates, LLC and later Insurpay, LLC. They represented to investors that invested funds would be sent to a California company that was factoring accounts receivable of Asian latex glove manufacturers. Promissory notes were issued promising a return of principal plus 15% interest in 90 days. In actuality, the California company, J. T. Wallenbrock & Associates, was not factoring accounts receivable but rather was engaged in a massive Ponzi scheme. A federal court in Los Angeles froze the assets of J. T. Wallenbrock and Associates at the request of the SEC in late January 2002. In spite of this freeze, the Joneses continued to solicit and accept investor funds through February 2003.

Evidence from bank records reveals that the Joneses were using part of the invested funds for personal expenses. They were also using investment funds from new investors to pay off the promissory notes of previous investors.

The Utah Division of Securities is interested in talking to any other individuals who may have invested money with TD&K Associates, LLC or Insurpay, LLC. You can contact the Division of Securities at 801-530-6600.